



COUNTY OF SAN DIEGO

AGENDA ITEM

BOARD OF SUPERVISORS

GREG COX
First District

DIANNE JACOB
Second District

DAVE ROBERTS
Third District

RON ROBERTS
Fourth District

BILL HORN
Fifth District

DATE: February 2, 2016

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TO: Board of Supervisors

SUBJECT: CARLSBAD UNIFIED SCHOOL DISTRICT 2016 GENERAL OBLIGATION
REFUNDING BONDS (DISTRICT: 5)

Overview

A bond election was duly held in the Carlsbad Unified School District ("District") on November 7, 2006 pursuant to Section 15100 and following of the Education Code of the State of California. Approximately 69% of those voters casting ballots, which is above the fifty-five percent voter approval level required, authorized the issuance of general obligation bonds of the District in the maximum aggregate principal amount of \$198,000,000 ("Authorization"). To date, \$197,996,055 of the Authorization has been issued via four series of Bonds. Pursuant to the Government Code, the District is authorized to issue refunding bonds to refund all or a portion of outstanding general obligation bonds.

On December 9, 2015 the Board of Trustees of the District ("District Board") approved the issuance of not to exceed \$45,000,000 of general obligation refunding bonds under the Authorization, to be designated the "Carlsbad Unified School District 2016 General Obligation Refunding Bonds", with appropriate series and taxability designations to be appended ("Refunding Bonds"). The Refunding Bonds are anticipated to refund all or a portion of the outstanding Carlsbad Unified School District General Obligation Bonds, Election of 2006, Series A, B, C, and D, which had an original par amount of \$198,000,000 ("Prior Bonds"). The Refunding Bonds would replace already existing general obligations at a lower cost.

Today's recommendation will authorize the Treasurer-Tax Collector to enter into a Paying Agent Agreement with the District and to formally direct the Auditor and Controller to maintain the tax roll for the Refunding Bonds.

Recommendation(s)

CHIEF ADMINISTRATIVE OFFICER

Adopt a Resolution entitled:

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO, CALIFORNIA, AUTHORIZING THE COUNTY TREASURER-TAX COLLECTOR TO EXECUTE A PAYING AGENT AGREEMENT AND FORMALLY DIRECTING THE COUNTY AUDITOR AND CONTROLLER TO MAINTAIN

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**TAXES ON THE TAX ROLL FOR THE CARLSBAD UNIFIED SCHOOL DISTRICT
2016 GENERAL OBLIGATION REFUNDING BONDS**

Fiscal Impact

The Refunding Bonds will be general obligations of the Carlsbad Unified School District to be paid from ad valorem property taxes levied within its boundaries, and do not constitute an obligation of the County.

Business Impact Statement

N/A

Advisory Board Statement

The Debt Advisory Committee, composed of the Chief Operating Officer, the Auditor and Controller, and the Treasurer-Tax Collector, concurs with this recommendation in order to permit the Authority to issue Refunding Bonds on behalf of the Borrowers.

Background

The District

The Carlsbad Unified School District ("District") was established in 1921, and is located in the northwestern portion of the County. The District covers approximately 30.2 square miles with a Fiscal Year 2015-16 total secured assessed value of \$19,297,025,816. The District projects an average daily attendance of 10,598 for 2015-16 and provides K-12 education services in nine elementary schools, three middle schools, two high schools, and one alternative school.

The District is governed by a Board of Trustees consisting of five members who are elected at-large to overlapping four-year terms at elections held in staggered years. The District employs approximately 531.7 full-time equivalent certificated employees, approximately 322.2 classified employees, and some part-time faculty and staff.

The Refunding Bonds

The Refunding Bonds are anticipated to advance refund all or a portion of the Carlsbad Unified School District General Obligation Bonds, Election of 2006, Series A, B, C and D, which had an original par amount of \$198,000,000. The Refunding Bonds would replace already existing general obligations of the District at a lower cost, providing financial savings to the District and the property taxpayers within the District. The Refunding Bonds are anticipated to be sold with a fixed rate and an anticipated final maturity no later than August 1, 2032.

Authority for Issuance. The Refunding Bonds will be issued pursuant to the provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California and pursuant to a resolution adopted by the District Board on December 9, 2015 ("District Resolution").

Sale of the Refunding Bonds. Pursuant to the District Resolution, the District Board has approved the sale of the Refunding Bonds to the Underwriter, so long as the Underwriter's discount (excluding original issue discount if any) does not exceed 0.5% of the aggregate principal amount of the Refunding Bonds issued.

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Repayment of the Refunding Bonds. The Refunding Bonds are general obligations of the District payable solely from ad valorem property taxes levied on taxable property within the District. The County, on behalf of the District, is empowered and obligated to annually levy ad valorem taxes without limitation of rate or amount for the payment of principal and interest of the Refunding Bonds due and payable in the next succeeding bond year.

Oversight Committee

As required by the Authorization, the District has established a Citizens' Oversight Committee to review the District's expenditure of bond proceeds and its progress in completing the projects specified in the measure, and to make periodic reports to the public in order to ensure that bond funds are spent only for authorized purposes.

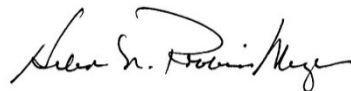
Role of the County of San Diego

The Auditor and Controller's office annually calculates the amount of taxes to be levied to meet the debt service requirement and develops the tax rates for approval by the Board of Supervisors. The Treasurer-Tax Collector will act as paying agent for the Refunding Bonds pursuant to the District Resolution and the Paying Agent Agreement.

Linkage to the County of San Diego Strategic Plan

Today's proposed recommendation supports the Sustainable Environments and Operational Excellence Strategic Initiatives in the County of San Diego's 2015-2020 Strategic Plan by supporting the Carlsbad Unified School District's objectives of improving the quality of education for students through improvements to its facilities and effectively managing its bond program.

Respectfully submitted,



HELEN N. ROBBINS-MEYER
Chief Administrative Officer

ATTACHMENT(S)

1. County Resolution
2. District Resolution
3. Form of Paying Agent Agreement

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AGENDA ITEM INFORMATION SHEET

REQUIRES FOUR VOTES: ☐ Yes ☒ No

WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED
☐ Yes ☒ No

PREVIOUS RELEVANT BOARD ACTIONS:

May 20, 2014 (15) CARLSBAD UNIFIED SCHOOL DISTRICT 2014 GENERAL
OBLIGATION REFUNDING BONDS

May 24, 2011 (18) CARLSBAD UNIFIED SCHOOL DISTRICT 2006 ELECTION GENERAL
OBLIGATION BONDS, 2011 SERIES C AND D

April 7, 2009 (14) CARLSBAD UNIFIED SCHOOL DISTRICT 2006 ELECTION
OBLIGATION BONDS, 2009 SERIES B

July 24, 2007 (17) CARLSBAD UNIFIED SCHOOL DISTRICT, GENERAL OBLIGATION
BONDS, 2006 ELECTION SERIES A

BOARD POLICIES APPLICABLE:

N/A

BOARD POLICY STATEMENTS:

N/A

MANDATORY COMPLIANCE:

N/A

**ORACLE AWARD NUMBER(S) AND CONTRACT AND/OR REQUISITION
NUMBER(S):**

N/A

ORIGINATING DEPARTMENT: Finance and General Government Group

OTHER CONCURRENCES(S): Debt Advisory Committee

CONTACT PERSON(S):

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